

HOUSE BILL No. 1962

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-20.

Synopsis: Petition and remonstrance procedures. Provides that the petition and remonstrance provisions do not apply to a proposal to issue debt or enter into a lease for a project that would otherwise be a controlled project if the fiscal body of the political subdivision determines in a public hearing that: (1) the proposed project must be undertaken to comply with a specific requirement that a court order holds is mandated by federal law; and (2) there is not a reasonable alternative to the proposed project that has a lower cost than the proposed project and that would satisfy the specific requirements of the court order. (Current law exempts from the petition and remonstrance provisions a project that is required by a court order holding that a
(Continued next page)

Effective: July 1, 1999.

Dvorak

January 26, 1999, read first time and referred to Committee on Local Government.



Digest Continued

federal law mandates the project.) Provides for a petition of the fiscal body's determination to the state board of tax commissioners.

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Introduced

First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

HOUSE BILL No. 1962

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 6-1.1-20-1.1 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1.1. As used in this
3 chapter, "controlled project" means any project financed by bonds or
4 a lease, except for the following:
5 (1) A project for which the political subdivision reasonably
6 expects to pay:
7 (A) debt service; or
8 (B) lease rentals;
9 from funds other than property taxes that are exempt from the
10 levy limitations of IC 6-1.1-18.5 or IC 6-1.1-19. A project is not
11 a controlled project even though the political subdivision has
12 pledged to levy property taxes to pay the debt service or lease
13 rentals if those other funds are insufficient.
14 (2) A project that will not obligate the political subdivision to
15 more than two million dollars (\$2,000,000) in debt service or

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1 lease rentals.

2 (3) A project that is being refinanced for the purpose of providing
3 gross or net present value savings to taxpayers.

4 (4) A project for which bonds were issued or leases were entered
5 into before January 1, 1996, or where the state board of tax
6 commissioners has approved the issuance of bonds or the
7 execution of leases before January 1, 1996.

8 (5) A project that is required by a court order holding that a
9 federal law mandates the project.

10 SECTION 2. IC 6-1.1-20-3.4 IS ADDED TO THE INDIANA
11 CODE AS A NEW SECTION TO READ AS FOLLOWS
12 [EFFECTIVE JULY 1, 1999]: Sec. 3.4. (a) The petition and
13 remonstrance provisions of this chapter do not apply to a proposal
14 to issue debt or enter into a lease for a project that would otherwise
15 be a controlled project if the fiscal body of the political subdivision
16 proposing to issue the debt or enter into the lease determines in a
17 public hearing under subsection (b) that:

18 (1) the proposed project must be undertaken to comply with
19 a specific requirement that a court order holds is mandated
20 by federal law; and

21 (2) there is not a reasonable alternative to the proposed
22 project that has a lower cost than the proposed project and
23 that would satisfy the specific requirements of the court
24 order.

25 (b) The political subdivision must publish notice of the public
26 hearing described in subsection (a) in the manner prescribed by
27 IC 5-3-1. At the hearing, the political subdivision shall hear public
28 testimony concerning the proposed project and the issues set forth
29 in subsection (a)(1) and (a)(2).

30 (c) Ten (10) or more taxpayers of the political subdivision who
31 wish to object to the determination of the fiscal body of the political
32 subdivision concerning the project may file a petition in the office
33 of the auditor of the county in which the political subdivision is
34 located. The petition must be filed not more than fifteen (15) days
35 after the fiscal body makes the determination. If taxpayers file a
36 petition in the manner prescribed in this subsection, the county
37 auditor shall immediately forward a certified copy of the petition
38 and any other relevant information to the state board of tax
39 commissioners.

40 (d) The political subdivision may not advertise for, receive bids
41 for, or contract for the construction of a project that is the subject
42 of a hearing under subsection (a) until the expiration of the later



- 1 **of:**
2 **(1) the time period within which taxpayers may file a petition**
3 **for review of the fiscal body's determination under subsection**
4 **(a); or**
5 **(2) the time period during which a petition for review of the**
6 **fiscal body's determination is pending before the state board**
7 **of tax commissioners.**

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